

Council Work Session April 26, 2021

Goal 4.1: Fire District Governance

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April 26, 2021



Purpose

- Address Council Goal 4.1: Explore Fire District Governance
- Provide update on Fire Task Force
- Discuss fire governance options
- Receive Council feedback on next steps

History

- 1987 Intergovernmental Agreement between City and Forest Grove Rural Fire District (RFD). Fire service provided by City.
- 2010 Cornelius Fire Chief retires. Cornelius and Cornelius RFD enter into IGA with City to provide Fire Chief services.
- 2015 Gaston RFD Fire Chief retires. Gaston RFD enters into IGA with City to provide Fire Chief services.
- 2018 Fire Task Force formed, composed of one representative from each entity, to study fire governance models.
- 2019-20 Fire Task Force recommends and all five governing entities concur to study a local Fire District.

Fire Task Force

Members:

- Tim Rippe – Forest Grove
- Jef Dalin – Cornelius
- Cleo Howell – Forest Grove Rural Fire Protection District
- Wes VanDyke – Cornelius Rural Fire Protection District
- Michael Pedemonte – Gaston Rural Fire Protection District

Foundational Principles:

Task force developed a set of foundational principles to evaluate governance models. These include:

- Service to the Community
- Governance and Identity
- Operationally Effective and Responsive
- Professional
- Fiscally Responsible

Models

The Fire Task Force compared the fiscal, operational, personnel, and governance attributes of the following options:

Option 1: Status Quo

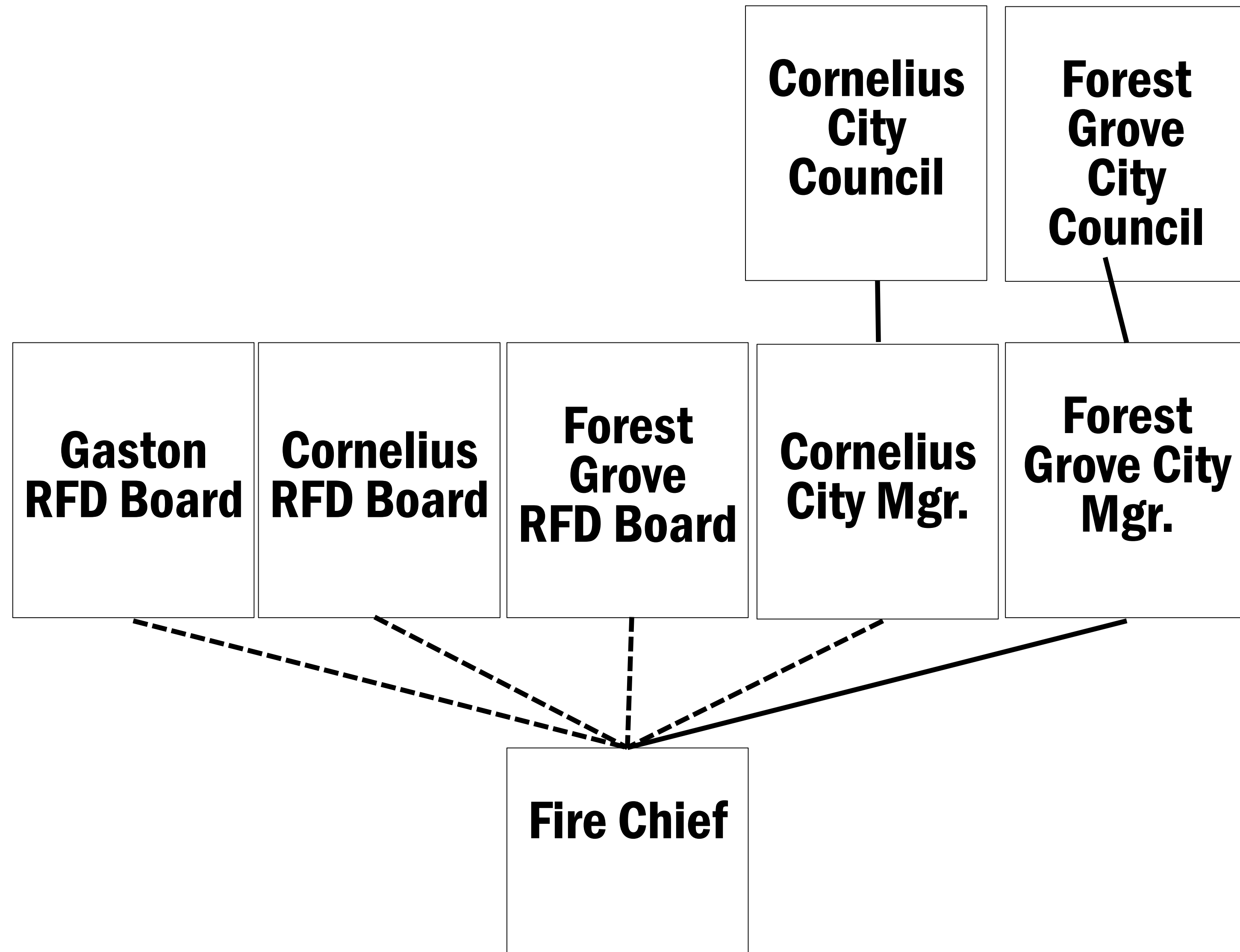
Option 2: Fire Authority

Option 3: Local Fire District

Option 1: Status Quo

Attributes:

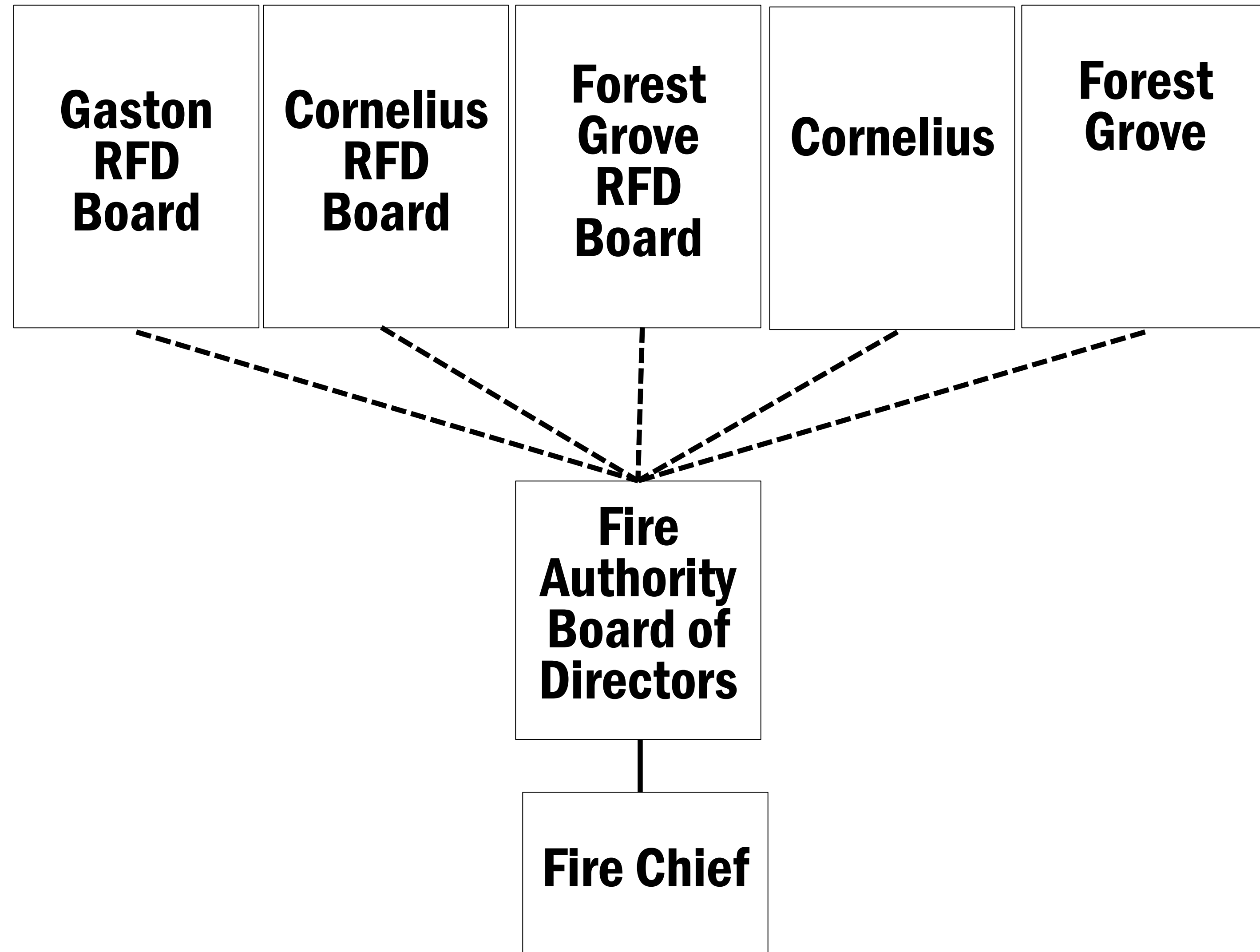
- Governed by two City Councils and three RFD Boards.
- Chief reports to two City Managers and three RFD Boards.
- 27 elected officials.
- Five budgets.
- Three Intergovernmental Agreements (IGA's) to define services.
- Three bargaining contracts.
- All personnel employed by their respective agency.
- Budget depends on five taxing authorities.
- Restricted from firefighter and volunteer cross-leveling to meet staffing needs.



Option 2: Fire Authority

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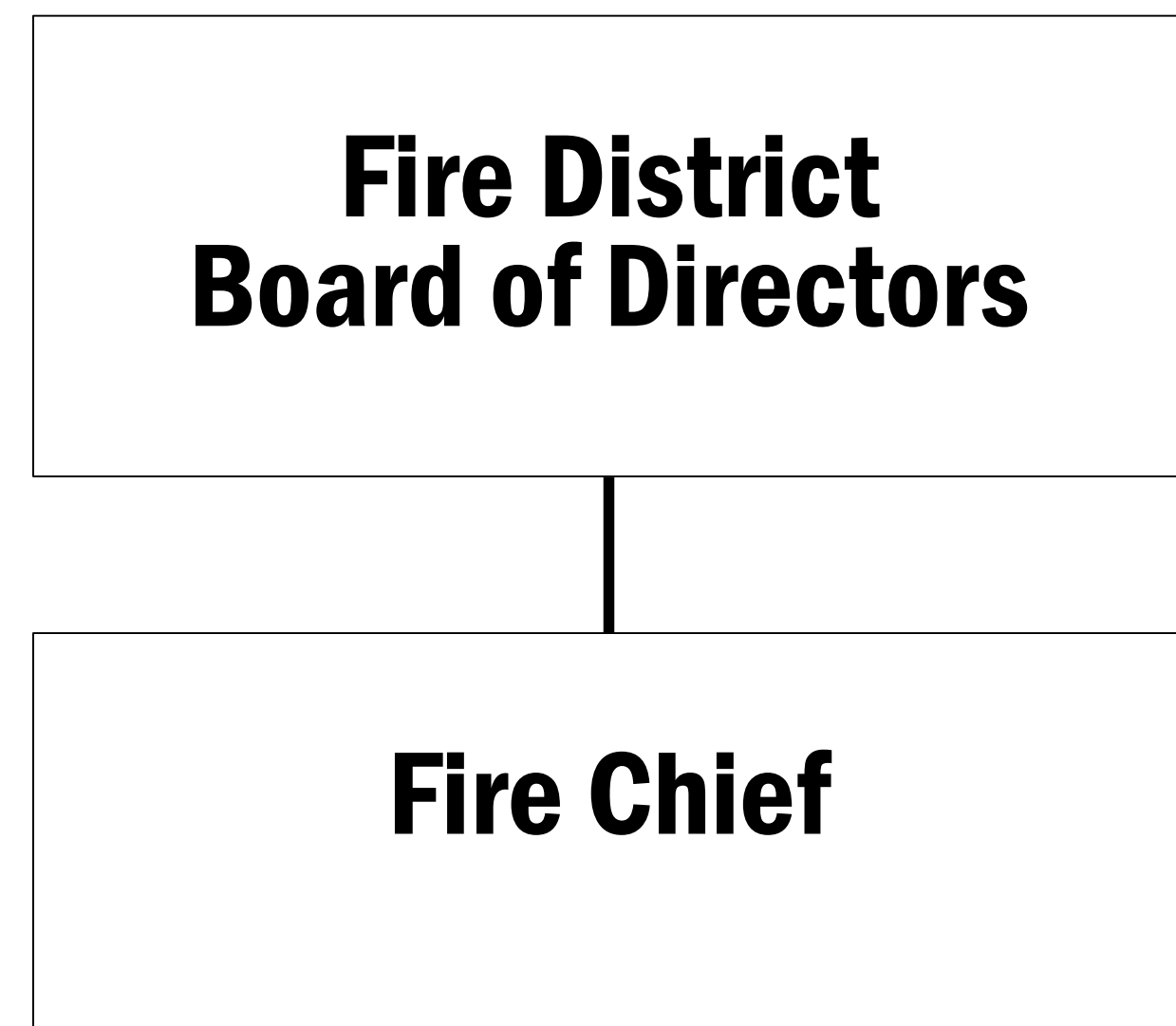
- Authority is a distinct entity with a Board of Directors.
- Board appointed by member agencies.
- Each member agency would have an IGA with the Authority to outline costs and services.
- IGA would be the same for each agency. Cost driven by formula.
- All personnel would be employed by the Authority.
- Chief reports to one Board.
- One budget.
- One bargaining contract.
- Budget depends on five separate taxing authorities.
- No direct taxing or bonding authority.



Option 3: Local Fire District

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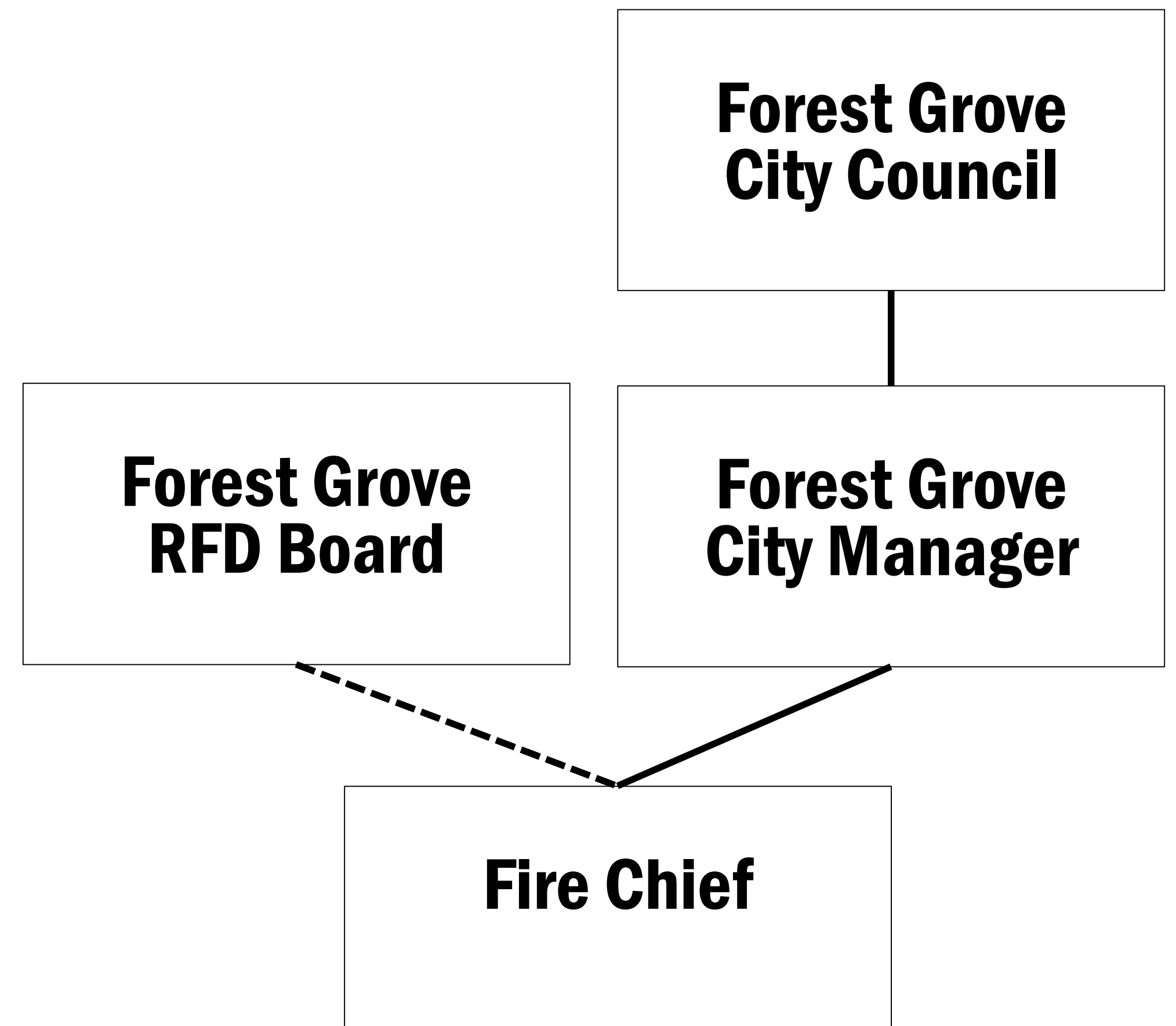
- District is a separate, legal, taxing entity.
- Board elected by voters from within the district.
- Examples include Tualatin Valley Fire and Rescue, Tualatin Valley Soil and Water Conservation District, and Tualatin Valley Water District.
- Chief reports to Board.
- One budget.
- One bargaining contract.
- All personnel employed by the District.
- Budget depends on one taxing authority.
- Operational fire service costs would transfer to the district.



Context: Pre-2010: Municipal Model

Attributes:

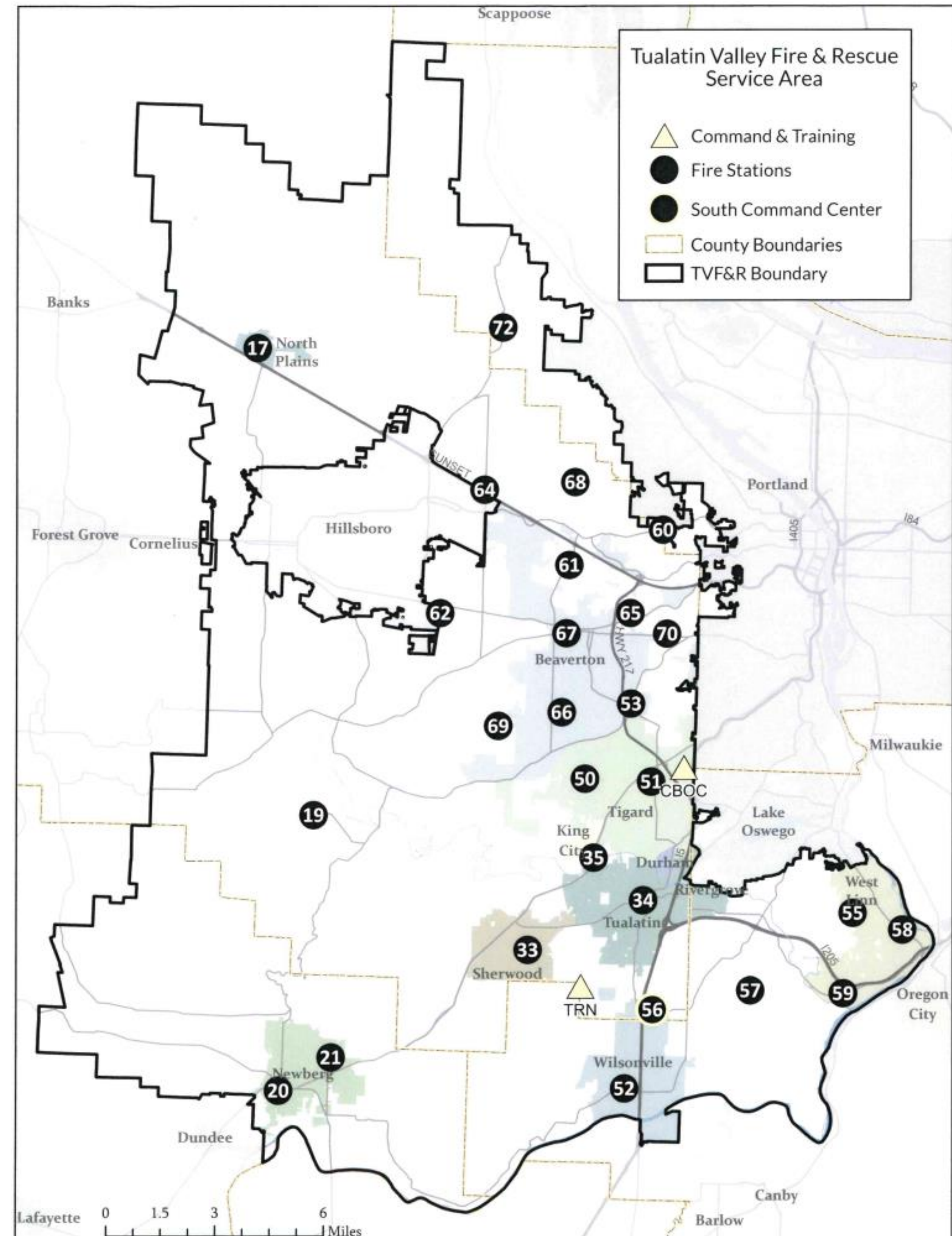
- Governed by City Council and Rural Fire District Board (RFD).
- Fire Chief reports to City Manager and RFD Board.
- Forest Grove is the managing entity.
- Two budgets.
- Budget depends on two taxing authorities.
- All employees employed by City.
- One IGA to share expenses.
- One bargaining contract.



Context: TVF&R

Attributes:

- TVF&R was discussed by the Fire Task Force, however, TVF&R was consolidating Newberg and could not consider additional agencies at that time (nearly two years ago).
- Similar to a local Fire District, TVF&R is a district with its own taxing authority. It serves all cities in the Metro Urban Growth Boundary in Washington County except Forest Grove, Cornelius, and Hillsboro.
- TVF&R is governed by a 5 member Board elected at large from within their district.
- Cost is \$2.07/\$1,000 of assessed value.



Current Status:

- Task Force resumed meetings this year.
- Firefighters invited and attended. Firefighters expressed concern about retirement and existing service levels.
- The following information was provided to the Task Force to help characterize a local Fire District.
- The Task Force looked at several local Fire District service level options:
 - Status Quo
 - Enhanced
 - Moderate
 - High
- The scenarios were based on a higher level of service in response to National Fire Protection Association guidelines.

Assumptions

- Emphasis was placed on the local Fire District starting with a permanent rate that would not require a future local option levy.
- Permanent tax rate may be phased in (under levied) over time
- Modeling based on community growth predictions
- Service levels are approximate
- Status Quo rate based on actual expenses; future rates based on approximations
- Should a local Fire District move forward, further work is needed to assure retirement and address timing, compression, governance, and legal implications.

Assessed Value

- Assessed value is a measurement of what each entity would contribute to the Fire District if the rate was the same for all entities.
- Forest Grove would contribute 50% of all revenues to a potential local Fire District.

	FY 2020-21	
	Assessed Value	%
City of Cornelius	781,235,221	21
City of Forest Grove	1,854,341,960	50
Cornelius RFPD	199,641,742	5
Forest Grove RFPD	502,788,744	13
Gaston RFPD	390,964,646	12
Total Assessed Value	3,728,972,313	100

Current Rates

- These represent the rates that each entity currently pay for fire service.
- The rates for Forest Grove and Cornelius are equivalent rates based on expenses.
- The other rates are permanent rates coupled with local options levies.
- These are provided to allow for comparisons to other operational models.

	Estimated Tax Rate per \$ 1,000 / AV
City of Cornelius	\$2.73
City of Forest Grove	\$2.41
Cornelius RFPD	\$0.87
Forest Grove RFPD	\$1.27
Gaston RFPD	\$1.76

Service Scenarios: Status Quo

	Employees
Forest Grove	21
Cornelius	6
Gaston	3
Total Staff	29
Total Daily Staff	7-9
Estimated Cost	\$2.08 / \$1,000

Service Scenarios: Enhanced

	Employees
Forest Grove Station	15
Cornelius Station	9
Gaston Station	9
Battalion Chief/Relief	6
Total Staff	39
Total Daily Staff	12
Estimated Cost:	\$2.71 / \$1,000

Service Scenarios: Moderate

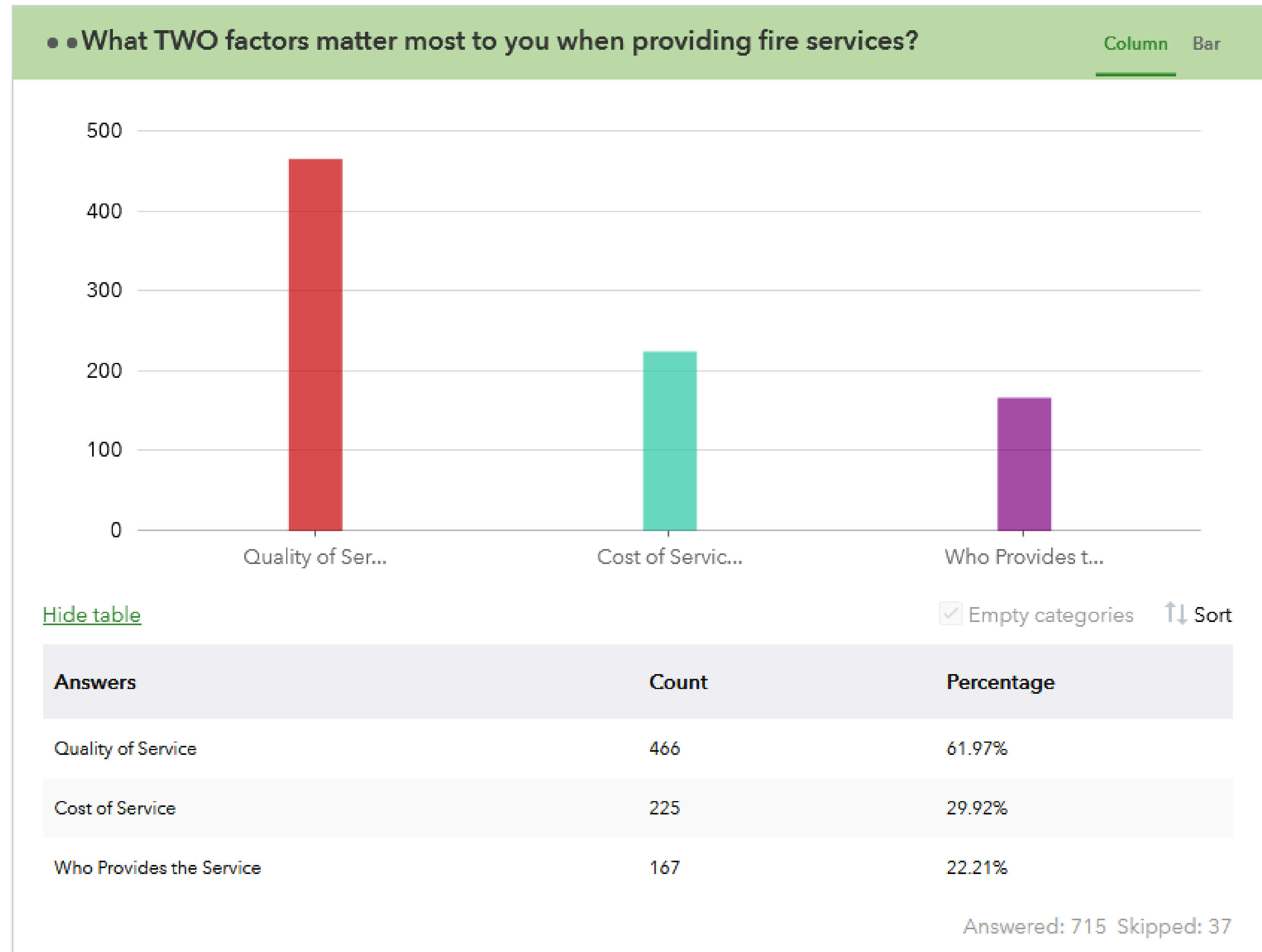
	Employees
Forest Grove Station	18
Cornelius Station	9
Gaston Station	9
Battalion Chief/Relief	7
 Total Staff	 43
Total Daily Staff	13
Estimated Cost:	\$2.91 / \$1,000

Service Scenarios: High

	Employees
Forest Grove Station	24
Cornelius Station	12
Gaston Station	12
Battalion Chief/Relief	8
Total Staff	51
Total Daily Staff	17
Estimated Cost:	\$3.60 / \$1,000

Livability Survey

The City recently conducted its bi-annual Livability Survey. 752 residents responded. The two factors that matter most in providing fire service was the Quality of service (62%) and the Cost of service (30%). Who provides the service mattered the least (22%).



Discussion

- Timing of City's Local Option Levy
- Fire District formation process
- Service Levels
- Service Rates
- Service Models
- Potential Next Steps
 - Next Fire Task Force meeting May 4